



Cena Partnerskab Holding ApS

Fuglevænget 9
9000 Aalborg
CVR No. 38929852

Annual report 2020

The Annual General Meeting adopted the
annual report on 06.05.2021

Gudmund Schlytter Killi

Chairman of the General Meeting

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Entity details

Entity

Cena Partnerskab Holding ApS

Fuglevænget 9

9000 Aalborg

Business Registration No.: 38929852

Registered office: Aalborg

Financial year: 01.01.2020 - 31.12.2020

Statutory reports on the Entity's website

Statutory report on corporate social responsibility: https://www.geiafood.com/geia_csr-2020/

Board of Directors

Gudmund Schlytter Killi, chairman

Wilhelm Mohn

Keld Gregersen

Jens Junge Mortensen

Executive Board

Stian Glendrange

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Østre Havnepromenade 26, 4th floor

9000 Aalborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Cena Partnerskab Holding ApS for the financial year 01.01.2020 - 31.12.2020

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 26.04.2021

Executive Board

Stian Glendrange

Board of Directors

Gudmund Schlytter Killi
chairman

Wilhelm Mohn

Keld Gregersen

Jens Junge Mortensen

Independent auditor's report

To the shareholders of Cena Partnerskab Holding ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of Cena Partnerskab Holding ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2020 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2020 - 31.12.2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aalborg, 26.04.2021

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Birner Sørensen

State Authorised Public Accountant
Identification No (MNE) mne11671

Management commentary

Financial highlights

	2020 DKK'000	2019 DKK'000	2017/18 DKK'000
Key figures			
Revenue	1,978,534	1,654,862	1,532,717
Gross profit/loss	166,190	119,168	119,502
Operating profit/loss	42,427	14,768	21,519
Net financials	(5,669)	(3,186)	(698)
Profit/loss for the year	14,740	(475)	8,545
Profit for the year excl. minority interests	13,214	(639)	7,715
Balance sheet total	518,015	513,381	502,064
Investments in property, plant and equipment	8,715	8,860	10,363
Equity	222,618	199,989	202,249
Equity excl. minority interests	215,947	197,688	199,162
Cash flows from operating activities	67,658	49,986	62,681
Cash flows from investing activities	(47,742)	(19,597)	(353,780)
Cash flows from financing activities	(8,253)	(31,494)	309,826
Ratios			
Gross margin (%)	8.40	7.20	7.80
Net margin (%)	0.74	(0.03)	0.56
Return on equity (%)	6.39	-0.32	3.87
Equity ratio (%)	41.69	38.51	39.67

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$

Revenue

Net margin (%):

$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$

Revenue

Return on equity (%):

$\frac{\text{Profit/loss for the year excl. minority interests} * 100}{\text{Average equity excl. minority interests}}$

Average equity excl. minority interests

Equity ratio (%):

Equity excl. minority interests * 100

Balance sheet total

Primary activities

Geia Food is a strong business partner with extensive expertise within a wide range of product categories – from frozen and chilled foods to groceries and beverages. We are the value-adding link between suppliers and customers, developing food concepts for the Nordics through unique competences and a long track record as a trusted partner.

We create value for our customers by boosting product innovation, reducing operating complexity and increasing category profitability. Our best-in-class supplier network benefit from a one-point-of-access to all the Nordic markets, an effective sales platform, customer insight and a cost-efficient logistics and quality assurance platform.

Development in activities and finances

The Group generated a profit before tax of 36.916 t.DKK in the financial year. The profit before tax for the year is considered satisfactory by the Board of Directors.

The expected net profit of 5-10 m.DKK stated in the outlook of the annual report from 2019 has been exceeded due to higher revenue in Denmark and other Nordic countries.

The Group has been and continues to be favoured by high demand from the retail segment during the year which has had a positive impact on the Groups revenue and result.

Uncertainty relating to recognition and measurement

There are no uncertainties relating to recognition and measurement.

Unusual circumstances affecting recognition and measurement

There have been no unusual circumstances affecting recognition and measurement.

Outlook

The Group expects continued good performance in the financial year 2021 as sales development in Denmark and foreign markets continues to be positive, with an expected profit for the year in the range of 15-25 m.DKK. Furthermore, the Group expects to develop its current business areas and to develop new ones.

Particular risks

Business risks

The Group's most significant business risk relates to the quality and food safety of the products distributed.

Financial risks

As a consequence of its operations, investments and financing, the Group is exposed to changes in the level of interest and exchange rates. The Group pursues a fiscal policy operating with a low risk profile so that currency risks, interest risks and credit risks only arise based on commercial matters.

Currency risks

Where possible, the Group's currency exposure is hedged through matching of payments received and made in the same currency and by using forward exchange contracts and currency options. At the end of the financial year 2020, the notional value of the Group's forward exchange contracts and currency options for meeting future currency risks amounted to negative 1.448 t.DKK

Forward exchange contracts and currency options consist of hedging of activities in EUR, USD, NOK and SEK with a term up to 24 months.

Research and development activities

The Group has not incurred any research and development expenses.

Foreign branches

The Group is represented in Sweden through the subsidiary Geia Food AB and Geia Food Holding AB, in Norway through the subsidiary Geia Food Norge AS and Geia Food AS and in Finland through the subsidiary Geia Food OY.

Statutory report on corporate social responsibility

The 2020 Corporate Social Responsibility report contains The Group's policies regarding CSR, animal welfare and environmental performance.

The 2020 Corporate Social Responsibility report is available on the following link:

https://www.geiafood.com/geia_csr-2020/

Statutory report on the underrepresented gender

The Board of Directors have reflected the gender distribution prevailing in the business where The Group operates for which reason it is characterized by an under-representation of women.

The Board of Directors consist of 6 males and 1 female, with the key reason being that the Board currently consists of the largest shareholder representatives – of which all are men. The target is that by the end of 2022, 2 females will be a part of the Board of Directors. During 2020 the target has not been met, because we did not have any need to recruit new members to the Board of Directors.

At other management levels, there is gender equality.

Moreover, The Group's policy is to fill in vacant positions in the management, administration and Board of Directors with the most competent employees regardless of gender.

Events after the balance sheet date

In the beginning of 2021 Geia Food completed the acquisition of the Norwegian company Østlandske Formidling AS.

To this date no other events have occurred after the balance sheet date, which would influence the evaluation of this annual report.

Geia Food expect that Covid-19 will have a minor impact on the business and the financial result in 2021

Consolidated income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Revenue	1	1,978,534	1,654,862
Other operating income		1,379	193
Cost of sales		(1,778,835)	(1,500,152)
Other external expenses	2	(34,888)	(35,735)
Gross profit/loss		166,190	119,168
Staff costs	3	(75,406)	(60,938)
Depreciation, amortisation and impairment losses	4	(47,285)	(43,414)
Other operating expenses		(1,072)	(48)
Operating profit/loss		42,427	14,768
Income from investments in group enterprises		159	0
Other financial income		1,396	506
Other financial expenses		(7,065)	(3,692)
Profit/loss before tax		36,917	11,582
Tax on profit/loss for the year	5	(22,177)	(12,057)
Profit/loss for the year	6	14,740	(475)

Consolidated balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Acquired licences		6,988	0
Goodwill		280,270	288,979
Intangible assets	7	287,258	288,979
Other fixtures and fittings, tools and equipment		10,379	7,911
Property, plant and equipment	8	10,379	7,911
Deposits		1,810	1,214
Other receivables		0	167
Financial assets	9	1,810	1,381
Fixed assets		299,447	298,271
Manufactured goods and goods for resale		79,899	71,423
Prepayments for goods		4,027	0
Inventories		83,926	71,423
Trade receivables		94,722	116,660
Deferred tax	10	68	3,183
Other receivables		3,835	5,332
Prepayments	11	6,732	890
Receivables		105,357	126,065
Cash		29,285	17,622
Current assets		218,568	215,110
Assets		518,015	513,381

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		191,963	191,963
Translation reserve		556	0
Reserve for fair value adjustments of hedging instruments		(1,853)	0
Reserve for net revaluation according to equity method		9	0
Retained earnings		25,272	5,725
Equity belonging to Parent's shareholders		215,947	197,688
Equity belonging to minority interests		6,671	2,301
Equity		222,618	199,989
Deferred tax	10	83	0
Provisions		83	0
Subordinate loan capital		2,381	0
Bank loans		35,218	53,935
Lease liabilities		259	1,594
Other payables		4,556	3,349
Non-current liabilities other than provisions	12	42,414	58,878
Current portion of non-current liabilities other than provisions	12	28,497	27,438
Bank loans		1,822	8,247
Trade payables		153,255	166,061
Tax payable		9,365	8,389
Other payables		54,644	40,280
Deferred income	13	5,317	4,099
Current liabilities other than provisions		252,900	254,514
Liabilities other than provisions		295,314	313,392
Equity and liabilities		518,015	513,381
Financial instruments	15		
Fair value information	16		
Contingent liabilities	17		
Assets charged and collateral	18		
Transactions with related parties	19		
Subsidiaries	20		

Consolidated statement of changes in equity for 2020

	Contributed capital DKK'000	Translation reserve DKK'000	Reserve for fair value adjustments of hedging instruments DKK'000	Reserve for net revaluation according to equity method DKK'000	Retained earnings DKK'000
Equity beginning of year	191,963	0	0	0	5,725
Effect of mergers and business combinations	0	0	0	0	4,478
Exchange rate adjustments	0	556	0	9	127
Value adjustments	0	0	(2,360)	0	0
Other entries on equity	0	0	0	0	1,728
Tax of entries on equity	0	0	507	0	0
Profit/loss for the year	0	0	0	0	13,214
Equity end of year	191,963	556	(1,853)	9	25,272

	Equity belonging to Parent's shareholders DKK'000	Equity belonging to minority interests DKK'000	Total DKK'000
Equity beginning of year	197,688	2,301	199,989
Effect of mergers and business combinations	4,478	1,794	6,272
Exchange rate adjustments	692	1	693
Value adjustments	(2,360)	0	(2,360)
Other entries on equity	1,728	1,049	2,777
Tax of entries on equity	507	0	507
Profit/loss for the year	13,214	1,526	14,740
Equity end of year	215,947	6,671	222,618

Consolidated cash flow statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Operating profit/loss		42,427	14,768
Amortisation, depreciation and impairment losses		47,234	43,414
Working capital changes	14	1,741	5,512
Other adjustments		0	76
Cash flow from ordinary operating activities		91,402	63,770
Financial income received		1,346	506
Financial expenses paid		(7,066)	(3,692)
Taxes refunded/(paid)		(18,024)	(10,598)
Cash flows from operating activities		67,658	49,986
Acquisition etc. of intangible assets		(40,706)	0
Acquisition etc. of property, plant and equipment		(8,208)	(3,020)
Sale of property, plant and equipment		1,599	1,112
Acquisition of fixed asset investments		(596)	(18,332)
Sale of fixed asset investments		169	643
Cash flows from investing activities		(47,742)	(19,597)
Free cash flows generated from operations and investments before financing		19,916	30,389
Loans raised		5,318	6,292
Repayments of loans etc.		(18,716)	(33,565)
Repayment of lease liabilities		(3,213)	(3,355)
Cash capital increase		9,176	0
Dividend paid to minority interests		0	(866)
Acquisition of minority interests		(902)	0
Sales of minority interests		84	0
Cash flows from financing activities		(8,253)	(31,494)
Increase/decrease in cash and cash equivalents		11,663	(1,105)
Cash and cash equivalents beginning of year		17,622	18,727

Cash and cash equivalents end of year	29,285	17,622
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Cash and cash equivalents at year-end are composed of:

Cash	29,285	17,622
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Cash and cash equivalents end of year	29,285	17,622
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Notes to consolidated financial statements

1 Revenue

	2020 DKK'000	2019 DKK'000
Denmark	1,324,636	1,183,198
Other scandinavian countries	591,254	424,677
Other countries	62,644	46,987
Total revenue by geographical market	1,978,534	1,654,862

2 Fees to the auditor appointed by the Annual General Meeting

	2020 DKK'000	2019 DKK'000
Statutory audit services	308	294
Other services	1,057	80
	1,365	374
Other auditors		
Statutory audit services	84	68
	84	68

3 Staff costs

	2020 DKK'000	2019 DKK'000
Wages and salaries	65,281	51,634
Pension costs	5,176	4,569
Other social security costs	1,928	2,342
Other staff costs	3,021	2,393
	75,406	60,938
Average number of full-time employees	109	93

4 Depreciation, amortisation and impairment losses

	2020 DKK'000	2019 DKK'000
Amortisation of intangible assets	43,097	40,183
Depreciation on property, plant and equipment	4,188	3,231
	47,285	43,414

5 Tax on profit/loss for the year

	2020	2019
	DKK'000	DKK'000
Current tax	18,290	15,572
Change in deferred tax	3,775	(3,515)
Adjustment concerning previous years	112	0
	22,177	12,057

6 Proposed distribution of profit/loss

	2020	2019
	DKK'000	DKK'000
Retained earnings	13,214	(639)
Minority interests' share of profit/loss	1,526	164
	14,740	(475)

7 Intangible assets

	Acquired licences	Goodwill
	DKK'000	DKK'000
Cost beginning of year	0	368,905
Exchange rate adjustments	0	670
Additions	7,200	33,506
Cost end of year	7,200	403,081
Amortisation and impairment losses beginning of year	0	(79,926)
Amortisation for the year	(212)	(42,885)
Amortisation and impairment losses end of year	(212)	(122,811)
Carrying amount end of year	6,988	280,270

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK'000
Cost beginning of year	12,164
Addition through business combinations etc	505
Additions	8,210
Disposals	(3,042)
Cost end of year	17,837
Addition through business combinations etc	(505)
Revaluations end of year	(505)
Depreciation and impairment losses beginning of year	(4,253)
Depreciation for the year	(3,696)
Depreciation and impairment losses on assets disposed of	(498)
Reversal regarding disposals	1,494
Depreciation and impairment losses end of year	(6,953)
Carrying amount end of year	10,379

9 Financial assets

	Deposits DKK'000	Other receivables DKK'000
Cost beginning of year	1,214	167
Disposals on divestments etc.	0	(167)
Additions	596	0
Cost end of year	1,810	0
Carrying amount end of year	1,810	0

10 Deferred tax

	2020 DKK'000	2019 DKK'000
Intangible assets	(30)	3,456
Property, plant and equipment	(742)	(885)
Fixed asset investments	298	(209)
Inventories	193	0
Receivables	(330)	(66)
Liabilities other than provisions	679	887
Deferred tax	68	3,183

	2020
	DKK'000
Changes during the year	
Beginning of year	3,183
Recognised in the income statement	(3,622)
Recognised directly in equity	507
End of year	68

Deferred tax is incumbent on intangible assets, property, plant and equipment, financial instruments and other temporary differences.

A deferred tax asset is recognised as Management expects that the tax asset can be used by the Company itself or by a jointly taxed company within 1-3 years.

11 Prepayments

Prepayments consist of rent and insurance costs.

12 Non-current liabilities other than provisions

	Due within 12 months	Due within 12 months	Due after more than 12 months
	2020	2019	2020
	DKK'000	DKK'000	DKK'000
Subordinate loan capital	952	0	2,381
Bank loans	25,000	25,000	35,218
Lease liabilities	2,545	2,438	259
Other payables	0	0	4,556
	28,497	27,438	42,414

Non-current other payables comprise holiday pay in accordance with Danish Holiday Act.

13 Deferred income

Deferred income consist of prepaid income e.g. freight charges.

14 Changes in working capital

	2020	2019
	DKK'000	DKK'000
Increase/decrease in inventories	(12,503)	(19,145)
Increase/decrease in receivables	14,523	(8,388)
Increase/decrease in trade payables etc.	(279)	33,045
	1,741	5,512

15 Derivative financial instruments

The Company hedges currency risks on expected transactions in EUR, USD, NOK and SEK with forward exchange contracts.

Forward exchange contracts relates purchase of goods. Value adjustments are recognized in the equity and are expected to be carried out and recognized in the income statement after the balance sheet day.

Beyond 99% of the forward exchange contracts are hedging towards currency risks relating to EUR/DKK.

16 Fair value information

	Forward exchange contracts DKK'000
Fair value end of year	(1,448)
Fair value adjustments recognised directly in the fair value reserve under equity	(1,448)

17 Contingent liabilities

The entity has entered agreements of rented premises. The Contracts are irredeemable for 6.5 years.

The annual rent is t.DKK 2.573.

The shares in Geia Food A/S and Cena have been pledged as collateral for the Company's and subsidiary's balances with a bank. The balances amounts at December 31 to t.DKK 62,741.

18 Assets charged and collateral

Mortgage debt is secured by way of company charges. The Company charge comprises stocks, goodwill and receivables, limited to t.DKK 50,000. The book value of secured assets amounts to t.DKK 163,711.

19 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

20 Subsidiaries

	Registered in	Corporate form	Ownership %
Geia Food A/S	Denmark	A/S	100
Geia Food OY	Finland	OY	100
Geia Food Holding AB	Sweden	AB	95,79
Geia Food AB	Sweden	AB	100
Geia Food Norge AS	Norway	AS	70,79
Geia Food AS	Norway	AS	100

Parent income statement for 2020

	Notes	2020 DKK'000	2019 DKK'000
Gross profit/loss		(5,902)	(89)
Income from investments in group enterprises		20,093	1,112
Other financial income		85	0
Other financial expenses		(1,357)	(1,888)
Profit/loss before tax		12,919	(865)
Tax on profit/loss for the year	1	268	226
Profit/loss for the year	2	13,187	(639)

Parent balance sheet at 31.12.2020

Assets

	Notes	2020 DKK'000	2019 DKK'000
Investments in group enterprises		276,370	276,376
Financial assets	3	276,370	276,376
Fixed assets		276,370	276,376
Other receivables		1,893	0
Tax receivable		13,826	6,785
Receivables		15,719	6,785
Current assets		15,719	6,785
Assets		292,089	283,161

Equity and liabilities

	Notes	2020 DKK'000	2019 DKK'000
Contributed capital		191,963	191,963
Retained earnings		23,812	5,725
Equity		215,775	197,688
Bank loans		35,218	53,935
Non-current liabilities other than provisions	4	35,218	53,935
Current portion of non-current liabilities other than provisions	4	25,000	25,000
Bank loans		1,779	0
Trade payables		50	0
Payables to group enterprises		14,060	6,538
Deferred income	5	207	0
Current liabilities other than provisions		41,096	31,538
Liabilities other than provisions		76,314	85,473
Equity and liabilities		292,089	283,161
Contingent liabilities	6		
Assets charged and collateral	7		
Related parties with controlling interest	8		
Transactions with related parties	9		

Parent statement of changes in equity for 2020

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	191,963	5,725	197,688
Other entries on equity	0	4,900	4,900
Profit/loss for the year	0	13,187	13,187
Equity end of year	191,963	23,812	215,775

Notes to parent financial statements

1 Tax on profit/loss for the year

	2020 DKK'000	2019 DKK'000
Current tax	(268)	(226)
	(268)	(226)

2 Proposed distribution of profit and loss

	2020 DKK'000	2019 DKK'000
Retained earnings	13,187	(639)
	13,187	(639)

3 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	301,638
Cost end of year	301,638
Revaluations beginning of year	(25,262)
Adjustments on equity	4,900
Amortisation of goodwill	(28,611)
Share of profit/loss for the year	48,705
Dividend	(25,000)
Revaluations end of year	(25,268)
Carrying amount end of year	276,370

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

4 Non-current liabilities other than provisions

	Due within 12 months 2020 DKK'000	Due within 12 months 2019 DKK'000	Due after more than 12 months 2020 DKK'000
Bank loans	25,000	25,000	35,218
	25,000	25,000	35,218

5 Deferred income

Deferred income consist of prepaid income.

6 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

7 Assets charged and collateral

Mortgage debt is secured by way of company charges. The Company charge comprises stocks, goodwill and receivables, limited to 50,000 t.DKK. The book value of secured assets amounts to 163,711 t.DKK.

The shares in Geia Food A/S have been pledged as collateral for the Company's and subsidiary's balances with a bank. The balances amounts at December 31 to 62,711 t.DKK.

Furthermore, the Company guarantees bank debt in a daughter. Bank debt amounts at December 31 to 0 t.DKK.

8 Related parties with controlling interest

There are no related parties with controlling interest.

9 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Changes in accounting estimates

Goodwill assets are adjusted with a reduction of DKK 3m in the comparative year based on a changed assessment of expected earn-out payment for recognised goodwill. The adjustment has reduced assets and liabilities, respectively, by DKK 3m. There is no impact on equity or profit for the year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. When the hedged transactions are realised, the accumulated changes are recognised as part of cost of the relevant financial statement items.

Income statement

Gross profit or loss

Gross profit or loss in parent income statement comprises other external costs.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's

taxable income, adjusted for prepaid tax.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Lease liabilities

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease commitments are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.